

coined, and again they disappeared from circulation under the pressure of Gresham's law, because they were heavier than the British dollar and the Japanese yen. Finally, in 1895, a new piaster was authorized of substantially the same weight and fineness as its competitors in the trade of the East. Of this type 66,336,692 were coined before the problem was taken up of establishing a gold-exchange standard.<sup>1</sup>

The first plan for bringing about stability of exchange, proposed by the eminent colonial governor, M. Doumer, in 1897, was decided by a special commission to lack the necessary elements of success.<sup>2</sup> The fall of silver in 1902, and the closing of the mints of Siam in the autumn of that year to the free coinage of the metal, emphasized anew the necessity for action. The government of Indo-China announced a plan for a conference of representatives of Hong-kong, Singapore, China, and Indo-China, in connection with the exposition at Hanoi. Conditions were so serious, however, that they attracted the attention of the government at home, and led to the appointment of a special commission from different ministries interested in colonial or financial affairs. On this commission, named on December 3, 1902, sat M. Pallain, Governor of the Bank of France; Andre Benaud, of the Ministry of Finance; the eminent economists, Charles Laurent and Maurice Bloch; M. Simon, head of the Bank of Indo-China, and many departmental officials. Only five formal sittings of the commission were held, and its work was concluded on March 28, 1903. The various plans which had been proposed were discussed, but palliatives were recommended rather than a definite constructive policy.

M. Arnaune, Director of the French Mint, prepared the report, and he opposed the immediate adoption of a fixed par of exchange upon the ground that it could not be main-

<sup>1</sup> Arnaune", 344,

<sup>2</sup> M. Doumer proposed simply to suspend free coinage of silver, fix the piaster at 2.50 francs, and rely upon scarcity to maintain parity.

The facts are fully set forth in the able and convincing work of M. Dethieux, *La Question Monétaire en Indo-Chine*, 190-97.